



**North Carolina Department of Health and Human Services**  
**Division of Mental Health, Developmental Disabilities and Substance Abuse Services**  
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Michael F. Easley, Governor  
Carmen Hooker Odom, Secretary

Michael Moseley, Director

July 24, 2006

**MEMORANDUM**

**TO:** LME Directors

**FROM:** Phillip Hoffman, Chief  
Resource and Regulatory Management Section  
DMHDDSAS

Laketha M. Miller, Controller  
DHHS Office of the Controller

**RE:** Retroactive Review of LME SPMP Systems Management Reporting for July 2004- February 2006

In a memo to LME Directors from us dated March 30, 2006, the Division and the DHHS Controllers Office outlined the criteria for determining which staff qualify for the Skilled Professional Medical Personnel (SPMP) designation and would be entitled to a 75%-25% Federal Medicaid/State reimbursement. This memo instructed LMEs to use the updated guidance for reporting SPMP expenditures from March 2006 expenditures forward. Also included in the March 30 communication was advance notice that the Division would be following up with LMEs on a retroactive review of SPMP cost going back to July 2004. This memo, and corresponding reporting forms referenced below, constitute the noted follow-up.

The retroactive review process and activities described herein are specifically for the purpose of ensuring that the State of North Carolina has only been reimbursed Medicaid administrative funds for allowable cost. Any adjustments resulting from this process will impact the amount of Medicaid administrative reimbursement the Division receives and will **not** impact overall LME systems management payments which the Division made to LMEs during the retroactive period under review.

Based on the agreement reached with CMS for staff which qualify for SPMP reporting, we must now work with LMEs to apply these same updated SPMP criteria to SPMP staff previously reported between July 2004 and February 2006. In order to facilitate this retroactive review, DMH/DD/SAS has compiled an electronic copy of each monthly LME Report of Expenditures that have been submitted between July 2004 and February 2006. These forms have taken the information submitted by LMEs and added four columns for verification of SPMP qualifications of staff previously listed in Part 2. LME's are required to complete the forms for each month between July 2004 and February 2006. Filling out the forms is straightforward:

1. **For professional staff:** First, type in "Yes" or "No" in the column entitled "SPMP Status Verified Using Revised Qualifications" for professional staff. If "Yes", enter the appropriate SPMP acronym in the column entitled "SPMP Position Category" (see coding information in item d. below). If "No", you do NOT need to make an entry in the column entitled "SPMP Position Category". Once a "Yes" or "No" has been entered in the first additional column, the last two columns will automatically calculate based on the responses entered in the "SPMP Status Verified Using Revised Qualifications" column.
2. **For support staff:** If individual support staff are listed on an individual line in Part 2 (as opposed to having been reported in the aggregate support staff line), type in "Yes" or "No" in "SPMP



Status Verified Using Revised Qualifications” column as to whether the support staff is supporting a qualified SPMP. The response should be “Yes” if the greater percentage of support staff’s time is supporting a qualified SPMP under the new guidelines. For support staff which are reported on the aggregate support staff line at the bottom of Part 2, you are NOT to make any entry at all of them; their cost will be distributed automatically on a formula basis. Once a “Yes” or “No” has been entered in the first additional column (for support staff listed on individual lines), the last two columns will automatically calculate based on the responses entered in the “SPMP Status Verified Using Revised Qualifications” column.

In determining the correct “Yes” or “No” entry for SPMPs, here are the criteria excerpted from the March 30, 2006, memo regarding individuals qualifying as SPMPs (the same information may be accessed via the following web address <http://www.dhhs.state.nc.us/mhddsas/announce/index.htm> Once at this address, scroll to the March 30, 2006, date for the communications referenced above):

**Part 2: Salary & Fringe Benefits Cost of Skilled Professional Medical Personnel and Direct Support Staff**

Expenditures reported in Part 2 include Salary and Fringe Benefits cost of SPMPs performing specific functions noted below. In addition to SPMPs, salary and fringe benefits for support staff who directly support the qualifying SPMPs are also to be reported in Part 2.

For an SPMP, and their related salary/fringe, to be reported within Part 2, the SPMP must meet the following criteria:

- a. The functions performed by the SPMP must be (i) Access, Screening, Triage & Referral, (ii) Provider Relations and Support, (iii) Service Management, or (iv) Customer Services. Not only must the SPMP perform these functions, the LME must ensure that the individual’s job description require the SPMP to perform one or more of these functions. Additionally, the SPMPs must be performing functions which require a SPMP. For example, an M.D. performing Service Management functions would be reported in Part 2, however, an M.D. serving as the LME CEO would be reported in Part 3 since general LME governance is not one of the four functions noted above utilizing an SPMP.
- b. The SPMP must also qualify as a SPMP in accordance with 42 CFR 432.50(d)(ii) which states, “The skilled professional medical personnel have professional education and training in the field of medical care or appropriate medical practice. ‘Professional education and training’ means the completion of a 2-year or longer program leading to an academic degree or certificate in a medically related profession. This is demonstrated by possession of a medical license, certificate, or other document issued by a recognized National or State medical licensure or certifying organization or a degree in a medical field issued by a college or university certified by a professional medical organization. Experience in the administration, direction, or implementation of the Medicaid program is not considered the equivalent of professional training in a field of medical care.”
- c. If the LME contracts for SPMP staff to perform the functions set forth in a. above, these contracted cost are to be reported within Part 2 provided (i) the contracted staff are performing functions as set forth in Part 2, item a. above, (ii) the contracted SPMP staff meet the staff qualifications set forth in Part 2, item b. above, and (iii) the contract is with another public agency and clearly documents that the public agency is performing these functions with qualified SPMP staff on behalf of the LME. If such a contract is with an individual or a private agency, the cost must be reported within Part 3 of the monthly LME expenditure report.
- d. Provided individuals meet the requirements set forth in items a. and c. above, the following individuals are eligible to be documented with a “Yes” on the follow-up reports as SPMPs. In addition to documenting a “Yes” response, you must enter the corresponding acronym coding from the following list on each line with a “Yes” as noted above:
  - \* MD = M.D. or D.O.
  - \* PE = Physician Extender (includes Physician Assistant and Nurse Practitioner)
  - \* NR = Nurse (includes RNs, Psychiatric Nurse Practitioner and Certified Nurse Specialist)
  - \* LP = Licensed Psychologist
  - \* LPA = Licensed Psychological Associate
  - \* LPC = Licensed Professional Counselor
  - \* LCAS = Licensed Clinical Addictions Specialist
  - \* CCS = Certified Clinical Supervisor



- \* LCSW = Licensed Clinical Social Worker
- \* P-LCSW = Provisional Licensed Clinical Social Worker

While this follow-up review is requesting information be completed on the corresponding forms being sent to each LME, each LME must maintain records at the local level, for audit purposes, which support and document a “Yes” response for SPMPs and individual support positions.

In completing the required retroactive review, LMEs must limit their input to ONLY “Yes” or “No” entries for the staff (SPMPs and clerical support) listed in Part 2 of each monthly report. LMEs are NOT to attempt to make any dollar amount or similar edits on the forms. All cells on the corresponding spreadsheets are “locked” with the exception of column for entering “Yes” or “No”.

Revised LME Monthly LME Reports of Expenditures, with the additional information completed, must be certified by the LME’s Finance Officer and signed form be sent to:

Jay Dixon  
DHHS Office of the Controller  
2019 Mail Service Center  
Raleigh, NC 27699-2019

Also, electronic copies should be submitted to [Kristi.Hickman@ncmail.net](mailto:Kristi.Hickman@ncmail.net) and [Katrina.Blount@ncmail.net](mailto:Katrina.Blount@ncmail.net) . Please send in these revised reports by **August 10, 2006**. It is critical that the retroactive review be completed as quickly as possible to ensure the continued flow of Medicaid administrative reimbursement. If you feel you cannot possibly meet the **August 10, 2006**, submission date, please contact Wanda Mitchell at the contact below and discuss your situation with her immediately.

Should you have general questions concerning this communication, please contact Wanda Mitchell by phone at (919) 733-7013 or via e-mail at [Wanda.Mitchell@ncmail.net](mailto:Wanda.Mitchell@ncmail.net) Questions associated with qualifying SPMPs should be addressed to Mary Tripp at [Mary.Tripp@ncmail.net](mailto:Mary.Tripp@ncmail.net).

PH/LMM/pdh

Attachment: Revised LME Reporting Form

cc: Secretary Carmen Hooker Odom  
Allen Dobson, MD  
Executive Leadership Team  
Management Leadership Team  
Yvonne Copeland  
Patrice Roesler  
MH Commission Chair  
Coalition 2001 Chair  
SCFAC Chair  
Kory Goldsmith  
Debbie Crane  
Curtis Crouch  
Mark Benton  
Tom Galligan  
Jim Flowers  
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Kaye Holder  
Vince Stephens, CMS  
Donald Graves, CMS

